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Royal London UK Growth Trust

Quarterly Investment Report

30 September 2025

Quarterly Report

The fund as at 30 September 2025

The purpose of this report is to provide an update on the Royal London UK Growth Trust. The report has been produced by Royal London Asset Management. The report starts with a summary dashboard showing key information about the fund. A glossary is located at the end of the report covering the description of some of the more technical terms used within the report. All data is as at the report date unless otherwise stated.

Contents

ROYAL LONDON
ASSET MANAGEMENT

The fund

Fund performance objective and benchmark

The Fund's investment objective is to achieve capital growth over the medium term (3-5 years) by investing at least 80% in the shares of UK companies included in the FTSE All-Share Index. The Fund's performance target is to outperform, after the deduction of charges, the FTSE All-Share Index (the "Index") over a rolling 5-year period. The Index is regarded as a good measure of the share-price performance of the approximately 600 largest companies on the London Stock Exchange. The Index is considered an appropriate benchmark for the Scheme's performance, as the Scheme's potential investments will predominantly be included in the Index. In addition to the benchmark for the Scheme's performance as noted above (the "Index"), the IA UK All Companies sector is considered an appropriate benchmark for performance comparison.

Fund value

	Total £m
30 September 2025	1,193.19

Fund analytics

	Fund
Fund launch date	25 September 1989
Fund base currency	GBP
Benchmark	FTSE All-Share Index (Total Return, GBP)
Number of holdings	52

Performance and activity

Performance

	Fund (%)	Benchmark (%)	Relative (%)
Quarter	4.43	6.87	(2.44)
YTD	15.53	16.58	(1.05)
1 Year	14.71	16.17	(1.46)
3 Years (p.a.)	14.34	14.45	(0.12)
5 Years (p.a.)	10.61	12.98	(2.37)
10 Years (p.a.)	7.13	8.11	(0.98)
Since inception (p.a.)	7.82	7.89	(0.07)

Past performance is not a guarantee or reliable indicator of future returns. Please refer to the Glossary for the basis of calculation and impact of fees. Performance and since inception date based on A Inc GBP. Source: Royal London Asset Management; Net performance; Since inception date of the share class is 25 September 1989.

Performance commentary

The Trust lagged the benchmark but outperformed the peer group average, placing in the second quartile over the quarter. The lack of exposure to the mining sector was a notable headwind over the period as precious metals and copper exposed companies rallied strongly alongside commodity prices - not owning Anglo American which jumped on the proposed merger with Canadian company Teck Resources. Investor concerns around increased competition and potential disruption from Artificial Intelligence (AI) also weighed on the share prices of a number of our holdings, most notably London Stock Exchange, Sage Group and RELX.

Partially offsetting this was the overweight position towards financials, with positions in Standard Chartered and Prudential in particular performing strongly with both being positively exposed to the recovery in Asian markets. Tesco shares continued to perform with little evidence that price action taken by Asda has had any impact on the retailer’s market share that continues to improve, while UK defence contractor Babcock International – a new position for the Trust – also contributed positively due to the constructive outlook for defence spending.

Performance and activity

Top 10 holdings

	Weighting (%)
HSBC HOLDINGS PLC	5.35
SHELL PLC	5.09
ASTRAZENECA PLC	4.48
LLOYDS BANKING GROUP PLC	4.33
RELX PLC	3.93
ROLLS-ROYCE HOLDINGS PLC	3.92
TESCO PLC	3.46
3I GROUP PLC	3.44
STANDARD CHARTERED PLC	3.32
NATWEST GROUP PLC	3.31
Total	**40.61**

Fund activity

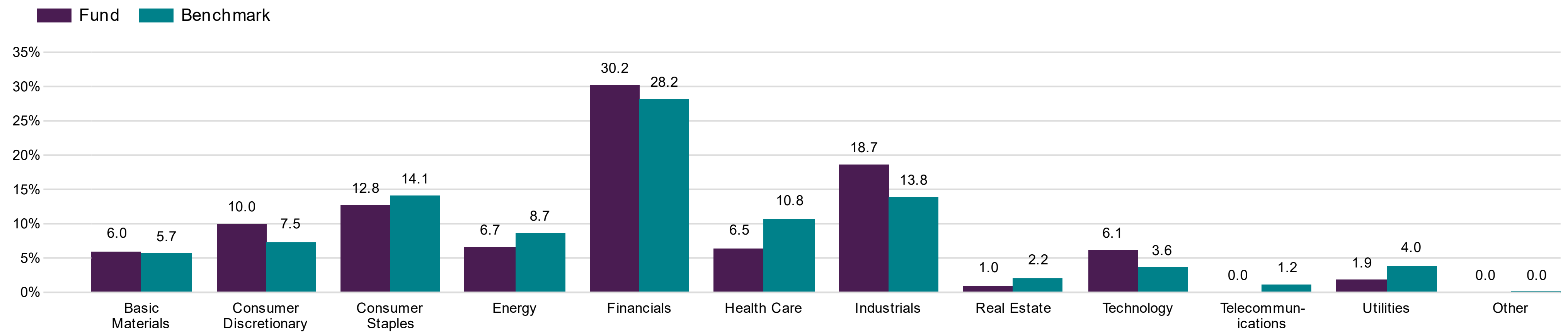
There were a number of changes made to the Trust over the third quarter. We exited the position in Spectris in full after the company received a competing takeover bid from private equity to that announced in June. We also exited our holding in Greggs after a disappointing trading update as we now believe that the group is under pressure from a challenged UK consumer wallet, changing health habits, and an improved offer from the supermarkets. We also exited our small holding in Intercontinental Hotel Group as we see better opportunities elsewhere.

These sales provided a source of funding to initiate new positions for the Trust including Babcock International, British American Tobacco, Informa, and Johnson Matthey:

Babcock is a UK defence contractor that we believe is well placed to benefit from rising defence budgets and a civil nuclear renaissance for many years to come with very few competitors. British American Tobacco is successfully managing the volume decline in cigarettes through pricing, and we see upside from the contribution of next-generation product categories along with potential for US crackdowns on illicit products. Informa is the market leading provider of business-to-business events and conferences globally, where we see potential for improved growth from an increased focus towards fast-growing regions such as the Middle East. Johnson Matthey is a chemical company with expertise in platinum-based catalysts that is being simplified from a historically complicated structure following its recent disposal of one of its divisions, with potential for improved cash returns to shareholders as it refocuses on its core operations of platinum refining and auto-catalysts.

Fund breakdown

Sector weights



Fund Engagement

Engagement definition

Engagement is active dialogue with investee companies (or other entities). There are two types: engagement for information, which is dialogue as part of investment research or ongoing monitoring, without specific objectives for change, and engagement for change, which is purposeful dialogue to influence positive change, with defined objectives and demonstrable outcomes.

Engagements

Engagement activity	Fund 3 months	Fund 12 months
Number of entities engaged	26	47
Number of engagements	42	151

This is an estimate. Some engagements at the issuer level may not have been attributed to the specific bond held in the fund, resulting in a lower number of engagement activities.

Engagement focus

Firm-wide engagement activity is centred around six themes which we have identified in consultation with our clients. These are: climate change; nature and biodiversity; health; governance and corporate culture; social and financial inclusion; innovation, technology and society. Portfolio level engagements are not thematic and are focussed on issues specific to managing the portfolio and meeting the investment objective.

Engagement data represents all engagements undertaken at both firm and portfolio level across Royal London Asset Management, and may not be limited to those undertaken solely for the purpose of managing the fund.

Total engagements by theme and topic

Biodiversity	4
Climate	7
Climate - Transition Risk	4
Climate - Physical Risk	3
Diversity	4
Ethnic Diversity	2
Gender Diversity	2
Environment	2
Governance	24
Corporate Governance	17
Remuneration	4
Strategy	2
Board	1
Social & Financial Inclusion	16
Just transition	10
Labour & Human Rights	5
Social & Financial inclusion	1
Technology, Innovation & Society	5
Technology & Society	3
Cybersecurity	2

The numbers of engagements and themes/topics discussed may differ where a single engagement covers multiple themes/topics.

Fund Engagement

Engagement outcomes

BP Plc - Multi-thematic

Purpose:

This meeting was our first interaction with BP PLC, a global energy company, under the strategic engagement programme, covering various material issues beyond climate concerns. The meeting aimed to understand how BP is balancing traditional energy and renewables, embedding anti-corruption frameworks, improving safety culture, and managing pollution prevention and community engagement.

Outcome:

BP outlined its evolving strategy in response to global events, with a renewed focus on capital allocation and performance across oil, gas and renewables. Recent leadership changes, including a new Chair and CEO, are shaping strategic direction, supported by ongoing portfolio and cost reviews.

The company continues to strengthen ethical business practices through mandatory training, whistleblower protections, and anti-corruption policies. In 2024, 251 employee separations were linked to non-compliance with its Code of Conduct. Safety remains a top priority, with lessons from incidents like the Husky Toledo refinery fire driving improvements in emergency response and safety culture.

Environmental risk management is supported by digital platforms such as LENS, which track incidents and share learnings. BP is focused on designing out pollution risks and engaging with communities through liaison officers. Future engagement will monitor progress on strategic delivery, ethical conduct, safety performance, and environmental stewardship.

Compass Group Plc - Workplace culture

Purpose:

The purpose of our follow-up with Compass Group PLC, a global foodservice, to seek further clarity on two points: the availability of comparable misconduct data for FY2023 to enable year-on-year comparison, and further insight into the substantiation rate for retaliation cases, which appeared slightly higher than the external benchmark.

Outcome:

Compass Group PLC confirmed that comparable data for FY2023 and FY2024 has been collected and analysed and shared a detailed table with RLAM illustrating key indicators across both years. The company acknowledged our suggestion to include year on year comparisons in future disclosures and indicated that this is under review.

Regarding retaliation cases, Compass explained that a previously broader definition led to higher volumes and variance in substantiation outcomes. In FY2025, the company refined its triage methodology to align with global best practice, resulting in a significant decrease in both the volume and substantiation rate of retaliation cases year to date. These changes reflect a more targeted and precise approach to case assessment and reporting. The company emphasises that these changes are part of a maturing approach to risk management and reporting, not a reduction in commitment to addressing workplace issues. Next steps include continued monitoring and refinement of reporting processes, with a view to including year on year comparisons in future disclosures.

Fund Engagement

Engagement outcomes

Imperial Brands Plc - Just nature

Purpose:

The meeting was convened to engage with Imperial Brands PLC, a global tobacco company, on its approach to just nature, and to understand what initiatives the company is already undertaking in this area. The discussion spanned workers, supply chains, communities, and consumers, with a particular emphasis on how fairness is being embedded across the supply chain. The engagement aimed to raise awareness of the just nature concept, surface existing efforts, and encourage stronger management of indirect supply chain impacts.

Outcome:

Imperial Brands PLC has made encouraging progress in integrating sustainability into its operations. The company has embedded climate key performance indicators into supplier contracts and plans to expand these to include nature related metrics, while mandating environmental harm reporting. Deforestation risk is actively considered in sourcing decisions, and governance has been strengthened by separating the leaf sustainability team from commercial operations. Although farmer support is viewed as the responsibility of suppliers, Imperial Brands facilitates sustainability transitions through education programmes, improved fertiliser and irrigation practices, and regular farm visits by field technicians to monitor environmental and social risks. These visits currently prioritise larger suppliers, with the expectation that learnings will cascade through the supply chain.

The company is committed to ensuring no farmers are left behind as technologies evolve and is exploring crop transition education to support generational shifts in farming. Imperial Brands acknowledges the complexity of land rights, particularly in regions with weak regulation, and conducts regular reviews of land ownership under frameworks such as the European Union Deforestation Regulation. While it does not directly engage with indigenous communities, supplier oversight indirectly affects them. Next steps include providing feedback on the company's climate transition plan, which will incorporate biodiversity considerations.

International Airlines Group SA - Net zero

Purpose:

RLAM met with International Consolidated Airlines Group S.A. (IAG), a multinational airline holding company, to discuss the Group's approach to Sustainable Aviation Fuel (SAF) and the decarbonisation of aviation.

Outcome:

The meeting provided valuable information on IAG's forecast for the adoption of different generations of SAF across the market, the importance of feedstocks, due diligence, and alternative emission reduction mechanisms. IAG's use of Sustainable Aviation Fuel in 2024 was 1.9 percent, with a target of 10 percent by 2030. The company was the first airline to commit to net zero emissions in 2018 and expects that by 2050, 50 percent of Sustainable Aviation Fuel will be third generation (synthetic fuels produced via power-to-liquid technologies), 40 to 50 percent second generation (derived from alcohols and solid organic waste), and up to 10 percent first generation (biogenic sources).

IAG's due diligence processes ensure chain of custody to prevent feedstock fraud or land-use damage, also relevant for carbon credits required to meet the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA). The company is investing in alternative propulsion technologies and hydrogen infrastructure, and conducting research on non-carbon dioxide impacts of aviation such as contrails. IAG is engaging with policymakers, original equipment manufacturers, and airframers for revenue certainty mechanisms and regulatory alignment. We will continue to track IAG's decarbonisation progress and monitor its disclosures.

Fund Engagement

Engagement outcomes

Shell Plc - Multi-thematic

Purpose:

This meeting was our first interaction with Shell PLC, a global energy company, under the strategic engagement programme, covering various material issues beyond climate concerns. Our strategic engagement programme delivers structured, outcome-focused dialogue with companies where we hold significant cross-asset positions, aiming to address material ESG risks and opportunities. RLAM sought to understand Shell's environmental risk management, water stewardship, labour practices, and business ethics. Key topics included legacy liabilities in the Niger Delta, water management, supply chain labour rights, health and safety, and anti-bribery controls.

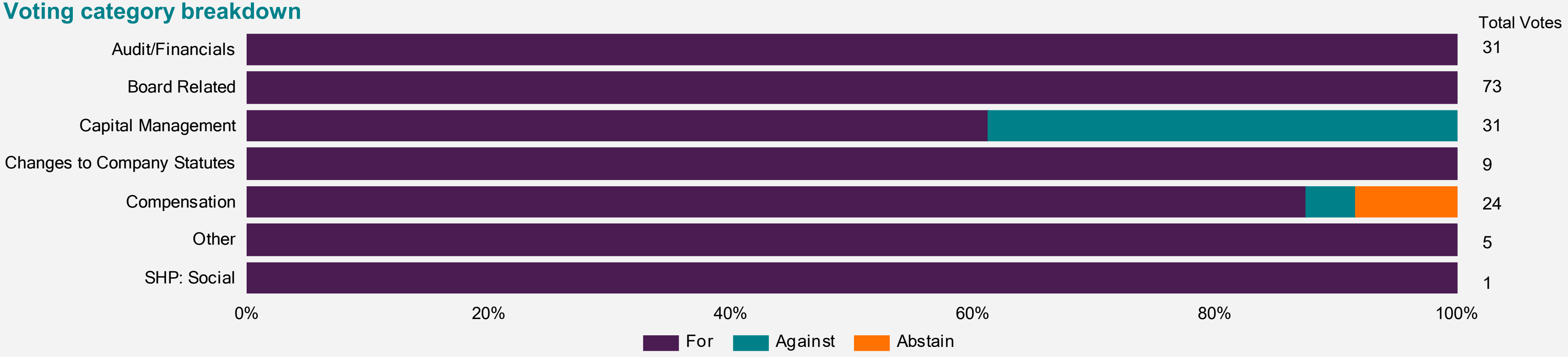
Outcome:

Shell provided detailed responses on its management of environmental liabilities in Nigeria, including financial provisions and lessons learned from the divestment of onshore assets. The company outlined its approach to remediation, compensation and ongoing stakeholder engagement, noting that outcome-based metrics and community feedback are increasingly integrated into risk mitigation strategies. On water stewardship, Shell has reduced freshwater consumption in high stress areas by 36 per cent, exceeding its 2025 target of 15 per cent reduction. The company has completed 18 water stewardship assessments and prioritises site level risk management, community engagement and governance processes aligned with the Corporate Sustainability Reporting Directive.

Labour practices were discussed in detail, with Shell highlighting enhanced value chain due diligence, contract clauses for suppliers and subcontractors and multiple grievance channels. The company described continuous improvement efforts, including linking executive compensation to safety performance and learning from severe incidents. On ethics and compliance, Shell's governance framework includes board oversight, dedicated whistleblowing hotlines and regular audits of high-risk suppliers. Shell emphasised its commitment to transparency, continuous improvement and stakeholder engagement. Next steps include continued dialogue on best practice disclosures, sharing examples with Shell's teams and monitoring progress on remediation, water stewardship, labour rights and ethics controls. We will continue to engage with Shell on climate issues in our Net Zero Stewardship Programme.

Fund Voting

Voting category breakdown



Notable votes

Ashtead Group Plc

Remuneration Report - against: We continue to oppose the combined LTIP introduced last year due to the level of vesting at threshold performance and poor engagement practices, noting that over one-third of shareholders voted against it. In addition, we have concerns over the choice of some targets under the annual bonus plan.

Marks & Spencer Group

Shareholder Proposal Regarding Report on Wage Policies - for: We are supportive as additional reporting would better allow shareholders to understand how the company is managing and mitigating human capital risks.

Market commentary

Market review

It was a positive three months for financial markets, buoyed by expectations for interest rate cuts in the US and a broadly resilient global economy despite the previous imposition of tariffs. Commodities also posted strong gains, most notably precious metals, as investors increasingly demand hard assets as a hedge against a weaker US dollar.

UK equities rose to an all-time high against this backdrop, perhaps serving a reminder that the fortunes of the market are not closely tied to that of the underlying economy. There was something of a cyclical shape to the market over the period, as seen by a very strong rally in the mining sector, while industrials also outperformed. Aerospace and defence companies continued to move higher, reflecting a strong outlook for European defence budgets. A weaker British pound also aided companies in sectors with a high degree of international earnings.

Corporate activity remains a theme that is alive and well in the UK market. In September, mining conglomerate Anglo American announced the proposal of a large-scale $53bn ‘merger of equals’ with Canadian copper miner Teck Resources that would create one of the world’s largest copper producers. This underscores a growing desire among the sector to acquire copper assets given its importance in electrification. Elsewhere, shareholder returns in the form of dividends and share buybacks remained a support to the market.

Outlook

While an improved global backdrop has been supportive for equity markets, the domestic outlook remains somewhat subdued; consumers and businesses alike must wait late into November for the Chancellor to deliver a budget that is widely expected to further increase the UK tax burden. This is something of an overhang for the UK economy in what is normally a seasonally important period of trading. While clearly this presents risks of a slowdown in the final quarter of the year, and nobody knows for sure what the upcoming budget will contain, anything that falls short of the worst-case scenarios set out by various commentators may restore some confidence going into the new year.

Further Information

Please click on the links below for further information:

Stewardship and Responsible Investment at RLAM

Royal London Voting and Engagement

TCFD climate report

Find out more

In an uncertain geopolitical and economic environment, we recognise the importance of keeping our clients updated on our current investment thinking.

Articles, videos, podcasts and webinars giving the latest views of our investment experts can be found in the Our Views section of www.rlam.com, including regular updates from our Fixed Income, Global Equity, Sustainable and Multi Asset teams.

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The Trust is an authorised unit trust scheme. The Manager is RLUM Limited, authorised and regulated by the Financial Conduct Authority, with firm reference number 144032.

For more information on the Trust or the risks of investing, please refer to the Prospectus or Key Investor Information Document (KIID), available via the relevant Fund Information page on www.rlam.com.

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FTSE makes no claim, prediction, warranty or representation either as to the results to be obtained from the Fund or the suitability of the Index for the purpose to which it is being put by Royal London Asset Management.

Risks and Warnings

Investment risk

The value of investments and any income from them may go down as well as up and is not guaranteed. Investors may not get back the amount invested.

Concentration risk

The price of Funds that invest in a reduced number of holdings, sectors, or geographical areas may be more heavily affected by events that influence the stockmarket and therefore more volatile.

EPM techniques risk

The Fund may engage in EPM techniques including holdings of derivative instruments. Whilst intended to reduce risk, the use of these instruments may expose the Fund to increased price volatility.

Counterparty risk

The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.

Performance to 30 September 2025

Cumulative (%)

	3 Month	6 Month	1 Year	3 Years	5 Years
Fund (gross)	4.69	11.96	15.86	54.53	75.59
Fund (net)	4.43	11.40	14.71	49.53	65.61

Annualised (%)

	3 Years (p.a.)	5 Years (p.a.)
Fund (gross)	15.60	11.91
Fund (net)	14.34	10.61

Year on year performance (%)

	30/09/2024 - 30/09/2025	30/09/2023 - 30/09/2024	30/09/2022 - 30/09/2023	30/09/2021 - 30/09/2022	30/09/2020 - 30/09/2021
Fund (gross)	15.86	14.90	16.08	(14.01)	32.15
Fund (net)	14.71	13.67	14.67	(15.08)	30.43

Past performance is not a guarantee or reliable indicator of future returns. The impact of fees or other charges including tax, where applicable, can be material on the performance of your investment.

Source: RLAM as at 30 September 2025. All figures are mid-price to mid-price for the Royal London UK Growth Trust A Inc GBP share class.

Glossary

Efficient Portfolio Management (EPM) techniques

The Fund may engage in EPM techniques including holdings of derivative instruments. The use of these instruments may expose the Fund to volatile investment returns and increase the volatility of the net asset value of the Fund. EPM techniques may involve the Fund entering into transactions with counterparties where there may be a risk of counterparty default. The Fund's ability to use EPM strategies may be limited by market conditions, regulatory limits and tax considerations.

Number of holdings

Total number of unique holdings of the Fund excluding cash, currency and derivatives.

Performance

The Fund price is taken at mid-day using swing prices where applicable, while the index performance is priced at close of business. Significant intra-day market movements at the start or end of the day may therefore distort comparisons.

Pricing

The Fund's price may swing to bid or offer to protect existing investors from the costs associated with buying or selling the fund's underlying assets when other investors are entering or leaving the fund. Performance is based on this pricing.

Sector weights

Breakdown of holdings by FTSE ICB (Industry Classification Benchmark) sector relative to the benchmark index.

Top 10 holdings

Top 10 assets held by market value, excluding derivatives and cash.